To: James R. Murphy

From: H. D. Jordan $\delta^{(i)}$

Subject: X-2 in the Near and Middle East

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- 1. The following points with regard to the problems of X-2 in the Near and Middle East are closely linked with matters of general X-2 and OSS organization and policy and the writer realizes that they should not be considered alone.
- 2. London's understanding has been that, except for FETO, X-2 operations are based on the principle of policy determination in Washington, operational control in London. Especially since January, 1945, Cairo without discussion has changed this basis and has increasingly operated on the assumption that OSS USAFIME is responsible only to Washington and that operations are planned and controlled for all branches by the Chief of Mission, with the local Branch Chief. According to this practice, X-2 Cairo becomes a Leitstelle and Beirut, Athens and Istanbul its Asts.
- 3. Examples of the way in which operations have been handled are:
- a) Beirut X-2 reports have been coming to London with the source names (or symbols) cut out, and some have been sent only by title as containing no CE information. This makes it impossible for London to obtain a clear view of the activities of the X-2 station at Beirut.
- b) Jeannette POND has been put to work in X-2 Cairo and has been vetted for dealing with PAIR cards. Previous London-Cairo discussions had gone as far as London's suggestion that Miss POND be employed in the Cairo Legation, so that it was rather startling to hear from the British here of the definitive Cairo plan. Cairo, queried by cable on this, simply answered that our information from the British was correct and outlined the completed arrangements for Miss POND and for transferring Emiscah DAVIS to Athens and subsequently to Istanbul.
- c) The case of the Rev. Edgar YOLLAND and his expulsion from Turkey was dealt with between Cairo and Istanbul, as it was believed that London was not concerned. London, however, believes it should have been in touch, in view of direct PAIR reflections. An interrogation report has already been received on YOLLAND.

- 4. The USAFIME scheme has great merits in promoting coordination, speed and central direction for OSS activities in the field. I believe that X-2 in the Near East is very well run, better than ever before; but the present set-up raises certain fundamental problems and difficulties.
- 5. The most immediate current difficulty rises from the fact that the Cairo practice prevents close contact, in fact almost all contact, between London and the field. During the period, not yet ended, of close collaboration between Americans and British in the CE sphere, we must recognize that British organization provides for continuous communication between Section V and its field stations, and close control of the latter by the former; furthermore, we are dependent for important purposes on British W/T channels. Thus effective X-2 operation under present conditions requires full information, both as to intelligence and operations and personnel, on the part of X-2 in London.
- 6. While the present intimate collaboration with the British is temporary, there is a somewhat broader problem involved. The Cairo plan does not permit X-2 in its area to fit in readily with the development of a closely integrated and carefully planned American CE service outside the Western Hemisphere. If CE organization in the long run is to be done under effective cover with thorough exploitation of all sources of information and with due coordination in the all-important task of building full and useable files, a relatively high degree of centralization is necessary. For this reason, X-2 field offices cannot well be made an integrated part of a regional OSS office where varied activities are conducted.
- 7. Another difficulty at the present time, and looking at the matter from the regional point of view, is that Cairo does not have full information and control as to personnel priorities and assignments. At the best, it is considerably hampered in making plans for future operations
- 8. Major Welles states that it is felt in his area that in the long run at least some American personnel should be under cover so far as the British are concerned. In view of present relations and the large proportion of X-2 persons who have been indoctrinated in London, this presents a delicate problem which can be worked out only through the fullest discussion.
- 9. The most immediate needs for action seem to me as follows:
- a) All X-2 reports, correspondence and cables between the Near East stations should be sent both to London and Washington.

- b) Istanbul should be made as independent of Cairo as in the past, though of course dependent on Cairo for supplies and communications and keeping it fully informed of operations.
- c) Athens and Beirut should remain under Cairo, but maintain their own report series and records in such a way as to give flexibility in case of future changes in their relations to other stations.
- d) Personnel assignments should be centralized and all discussions of officer assignments referred at the earliest stages to JJ/001.